

Message Text

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ORIGIN COME-00

INFO OCT-01 ARA-10 IO-13 ISO-00 STR-07 OIC-02 AF-10
EA-10 EUR-12 NEA-10 AGRE-00 CEA-01 CIAE-00
DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05 L-03
LAB-04 NSAE-00 PA-01 CTME-00 AID-05 SS-15 ITC-01
TRSE-00 SP-02 SOE-02 OMB-01 DOE-15 NSCE-00 SSO-00
ICAE-00 INRE-00 /152 R

DRAFTED BY COM/ITA/OTP/NMORGAN
APPROVED BY STR/DWH ITAACK
COM/ITA/BSTEINBOCK
STATE/GCP/DFINNERTY
-----115566 130039Z /20

O P 122126Z JUL 78
FM SECSTATE WASHDC
TO USMISSION GENEVA IMMEDIATE
INFO AMEMBASSY BRASILIA PRIORITY
AMCONSUL RIO DE JANEIRO PRIORITY
AMCONSUL SAO PAULO PRIORITY

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US MTN GENEVA

E.O. 11652: N/A

TAGS: ETRD, GATT, BR, SW

SUBJECT: COMMERCE COMMENTS ON GATT ARTICLE XXVIII
NEGOTIATIONS WITH BRAZIL

REF: GENEVA 10513

1. PER REQUEST REFTEL PARA. 4 WE HAVE REEXAMINED BRAZILIAN
OFFERS THAT HAD PREVIOUSLY BEEN REJECTED AND HAVE THE
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FOLLOWING COMMENTS:

A. WE CAN ACCEPT BRAZIL'S OFFER TO BIND THE TARIFF ON 39.
01.02.09, SILICONES, AT 15 PERCENT.

B. WE ARE INTERESTED IN THE FOLLOWING ITEMS BUT WE
WISH TO ASK BRAZIL TO IMPROVE ITS OFFER BY REQUESTING THE

TARIFF LEVELS INDICATED IN SAO PAULO 1814 (REPEATED HERE).

B TN SHORT DESC. CURRENT OFFER REQUEST

29.06.11.00 HYDROQUINOL 15 45 30

29.06.16.00 RESORCINOL 15 45 30

29.09.01.00 EPICHLORHYDRIN15 45 30

C. WE HAVE REJECTED MANY ITEMS IN THE BRAZILIAN OFFER

BECAUSE WE HAVE SO MANY OTHER PRODUCTS WHICH WE DEEM TO BE OF GREATER PRIORITY INTEREST. JON HARTZELL MTN DEL HAS LIST OF ITEMS WHICH ARE TO BE CONSIDERED AS POSSIBLE SUPPLEMENTAL REQUESTS IN THE MTN. SINCE OUR REQUESTS OF BRAZIL IN THE MTN EXCEED THE VALUE OF OUR OFFER, IT IS DOUBTFUL THAT MANY OF THESE ITEMS WILL ACTUALLY BE TABLED. SUGGEST MISSION EXAMINE THIS LIST FOR ITEMS ON WHICH WE COULD MAKE ADDITIONAL REQUESTS FOR COMPENSATION IN ORDER TO ESTABLISH A BALANCE IN THE ARTICLE XXVIII NEGOTIATION.

2. IN TPSC 78-85, ATTACHMENT II, BTN NUMBER FOR ORTHOPEDIC APPLIANCES SHOULD BE 90.19.99.00. PLEASE CONFIRM THAT OFFER IS TO BIND AT ZERO.

3. PER QUESTION PARA. 3 REFTTEL, WE ARE NOT INTERESTED IN BRAZILIAN OFFER ON 90.24.05.01, FLOWMETERS. THERE IS VERY LITTLE TRADE IN THIS ITEM, AND IT HAS BEEN DECLINING LIMITED OFFICIAL USE

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IN PAST FEW LYARS.

4. WE NOTICE THAT BRAZIL STILL HAS MADE NO COMMITMENT REGARDING IMPORT LICENSES. WE MUST INSIST ON A COMMITMENT FROM BRAZIL THAT IMPORT LICENSES FOR THE ITEMS ON WHICH CONCESSIONS ARE GRANTED BE ISSUED PROMPTLY WITHOUT ANY RESTRICTIONS. WITHOUT SUCH A COMMITMENT WE CANNOT CONCLUDE THIS ARTICLE XXVIII NEGOTIATION WITH BRAZIL.

5. WE CONTINUE TO BE SKEPTICAL OF THE NEED FOR CEILING BINDINGS AS HIGH AS 30 PERCENTAGE POINTS ABOVE THE STATUTORY RATE. AS GUIDANCE FOR EVENTUAL DISCUSSIONS ON STAGED REDUCTION OF CEILING BINDINGS WE PROPOSE THE FOLLOWING:

A. THE U.S. WILL NOT ACCEPT ANY OFFER TO BIND A TARIFF AT A LEVEL GREATER THAN 55 PERCENT.

B. THE U.S. WILL NOT ACCEPT ANY CEILING BINDING WHICH IS GREATER THAN 15 PERCENTAGE POINTS ABOVE THE RATE REQUESTED BY THE U.S.

6. LISTED BELOW ARE THE THREE-YEAR AVERAGE TRADE VALUES FOR ADDITIONAL ITEMS IN BRAZILIAN OFFER (THOSE NOT REPORTED

IN STATE 150324, ATTACHMENT II).

U TN	SHORT DESC.	3-YR. AVG. TRADE
	\$US MILLION FOB	

29.06.11.00	HYDROQUINOL	'2
29.06.16.00	RESORCINOL	.2
29.09.01.00	EPOCHLORHYDRIN	.9
39.01.02.09	SILICONES	.04
40.14.04.00	DISC, WASHER, OF UNHARDENED VULCANISED RUBBER	1.9

84.05.02.00	STEAM TURBINES	1.7
84.60.02.01	CHILL MOULDS	.8
85.21.12.00	GERMANIUM DIODES	4.1

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90.24.06.00	PRESSURE REGULATOR	.4	CHRISTOPHER
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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NEGOTIATIONS, GOVERNMENT REACTIONS, TARIFF AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 12 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE175942
Document Source: CORE
Document Unique ID: 00
Drafter: ITA/OTP/NMORGAN
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780286-0468
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780767/aaaacewp.tel
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Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a7d37e76-c288-dd11-92da-001cc4696bcc
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 GENEVA 10513
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
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Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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Secure: OPEN
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TAGS: ETRD, BR, SW, US, GATT
To: GENEVA USMTN
Type: TE
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